Secretary to the Council:—The title of the Bill is 'the Cochin Village Panchayat Act Amendment Bill'.

Dr. A. R. Menon (*Minister for Rural Development*): I move that the President may be pleased to suspend S. O. 32 and that the Bill be taken up for consideration at once.

Mr. Deputy President :—S. O. 32 is suspended.

The motion was put and carried.

Clause 2 was then put and carried.

The title and preamble were then put and carried.

Dr. A. R. Menon (*Minister for Rural Development*) : I move that the Bill be taken up and passed finally tomorrow.

The motion was put and carried.

The Cochin Local Authorities Entertainment Tax Bill.

Mr. P. J. George (*Joint Secretary to Government*) : Sir, I move that the Cochin Local Authorities Entertainment Tax Bill may be read in Council.

Dr. A. R. Menon (*Minister for Rural Development*): I second it.

Mr. P. J. George (*Joint Secretary to Government*) : The main purpose of the Bill is to provide for some revenue for the Municipalities. The provisions of the Act could be extended in case any Panchayat also wishes to levy such taxes. But, for the present it is the intention of the Government to extend the provisions to Municipalities.

The motion was put and carried.

Secretary to the Council: The title of the Bill is 'the Cochin Local Authorities Entertainment Tax Bill'.

Mr. P. J. George (*Joint Secretary to Government*): I request the President that S. O. 32 may be suspended and that the Bill be taken up for consideration.

Mr. Deputy President : S. O. 32 is suspended.

The motion was put and carried.

Clause 2 was then put and carried.

Mr. M. Sivarama Menon (*Ernakulam*): Mr. President Sir, I have tabled 2 amendments to section 3, the first one being an amendment to sub-division (2) of section 3 and the second one to sub-division (3) (*i*) of the same section. The section prohibits the levy of any entertainment tax if the cost of

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the ticket is not more than 4 annas. Under sub-section 3 a schedule is given and according to that schedule tax could be levied where the payment excluding the amount of the tax is more than four annas but is less than six annas. The tax levied in such cases is six pies. Then in the case payments of six annas or more but is less than twelve annas, the tax is one anna. The purpose of my amendment is to substitute instead of 'four annas', 'two annas' and in sub-section (3) (i) 'three annas' instead of 'four annas'. In moving the first amendment, my object is only to bring to the notice of this House that regard being had to local conditions and the general rates for tickets issued by Circus, Dramas and other companies, it will practically be not a source of revenue, if this Bill is allowed to be passed without these amendments. The majority of the people who witness these shows are those who pay 4 annas,and they will not be liable to tax on the ground that the cost of the ticket is not more that 4 annas. The object of my amendment to this section is for bringing under sub-section (i) of section 3 'Two annas' instead of 'four annas', because if the minimum is made lower than four annas, the Municipality can derive some revenue. Persons who pay 1 anna, or 2 annas are not subjected to tax. It is only persons who pay more than 2 annas that will be brought under this amendment. Because this Bill is introduced for the purpose of enabling the Municipalities to derive some revenue, my opinion is that it is only proper that persons who are prepared to pay more than 2 annas for an entertainment should pay 6 pies by way of entertainment tax. I therefore beg to commend these amendments for the acceptance of the House.

Mr. V. K. Krishnankutty (*Ezhuvas-Trichur*): I second it.

Mr. P. J. George (*Joint Secretary to Government*): In British India the minimum is 4 annas. We are only following them.

Mr. M. Sivarama Menon (*Ernakulam*): The rates prevailing in Madras are entirely different from those prevailing here. On account of the local conditions it may not be possible to introduce such rates here. The question we have to consider is whether by this amendment we are going against the interests of poor persons.

Mr. P. J George (*Joint Secretary to Government*): What do you mean by local conditions?

Mr. M. Sivarama Menon (*Ernakulam*): By local conditions, I mean the rates for tickets usually adopted in Trichur, Ernakulam and other places; they cannot be compared with the conditions prevailing in Madras where the rates are higher.

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Mr. P. J. George (*Joint Secretary to Government*): But the Madras Enactment is for the whole of the Presidency.

Mr. M. Sivarama Menon (*Ernakulam*): As a matter of fact, you will find that this Act is in force there only in the major towns of the Presidency. Here the rates are not vaccilating, but fixed. None of the persons who pay 2 annas are affected by these amendments. It is only in the case of persons who are prepared to pay more than 2 annas that the entertainment tax can be levied.

Mr. C. A. Kunjunni Raja (*Advocate-General*): If your amendments are accepted, what will be the effect. Will it not affect the poor people? Further in one case it is 'two annas and in the other 'three annas'. Will not the provisions become inconsistent?

Mr. M. Sivarama Menon (*Ernakulam*): I have no objection to substitute 3 annas in both cases.

This question was considered at the Municipal Conference and I was asked to move these amendments. These amendments will never affect the poor people as long as persons who pay up to 3 annas are exempted from the operation of this rule.

Dr. A. R. Menon (*Minister for Rural Development*): Would this affect three annas tickets?

Mr. M. Sivarama Menon (*Ernakulam*): No, only in the case of more than three annas, they will have to pay.

With the leave of the Deputy President, I beg leave to change my amendment (1) to 'three annas'.

Mr. C. R. Iyyunni (*Trichur-South*): We would like to know the view of the Government. We support the motion.

Mr. T. V. Subramania Ayyar (*Nemmara*): Do the Government accept the amendment?

Mr. K. P. Kannan Nayar (*Secretary to Government*): We oppose. The reason is that we have fixed the minimum at 4 annas. But, if you, representatives of the people want to reduce the minimum, we are prepared to do so.

The amendment was put and carried.

Mr. M. Sivarama Menon (*Ernakulam*): Amendment No. 2 is consequential to No. 1, and for the same reason, I commend it for the acceptance of the House.

Mr. M. K. Devassy (*Adur*): Does the Government oppose that?

Mr. K. P. Kannan Nayar (*Secretary to Government*): Yes.

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Mr. M. K. Devassy (*Adur*): Why?

Mr. K. P. Kannan Nayar (*Secretary to Government*): Opposition is also consequential (*Laughter*).

The amendment was put and carried.

Clause 3 as amended was put and carried.

Clauses 4 to 12 were put and carried.

The title and preamble were put and carried.

Mr. P. J. George (*Joint Secretary to Government*): I move that this Bill be taken up and finally passed tomorrow.

The motion was put and carried.

The Cochin Anchal Act (Amendment) Bill.

Mr. P. J. George (*Joint Secretary to Government*): I move that the Cochin Anchal Act Amendment Bill may be read in Council.

Mr. K. P. Kannan Nayar (*Secretary to Government*): I second it. It is mainly intended to bring newspapers also under the category of articles under the Anchal Act from being taxed under that Act. By this Amendment Act these newspapers can be carried in bundles in buses. Otherwise, it will be an offence. This amendment is also to make the law here similar to that in British India. This is a popular Bill.

Mr. M. K. Devassy (*Adur*): May I know whether there has been any occasion when anybody has been prosecuted under the existing law?

Mr. C. A. Kunjunni Raja (*Advocate-General*): After the present Commissioner of Police took charge, he wanted to prosecute certain offenders. Then some representations were made to Government and a Committee was appointed. This Bill was drafted on the recommendations of that Committee. We have adopted here only the British sections.

Mr. M. K. Devassy (*Adur*): May I know the provocation for prosecution?

Mr. C. A. Kunjunni Raja (*Advocate-General*): It was an offence and action had to be taken.

Mr. C. R. Iyyunni (*Trichur-South*): So, the old law was in accordance with the British Act?

Mr. C. A. Kunjunni Raja (*Advocate-General*): It was an offence to carry newspapers in buses under the old Anchal Act, I of 1067. Now we are amending that.

Mr. T. V. Subramania Ayyar (*Nemmara*): Are you including newspapers also under Anchal articles?

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